

# Capitalism, Class, & Class Struggle

FOR

# (ex)DUMMIES

*adapted from [libcom.org](http://libcom.org)*



# ***Capitalism, Class & Class Struggle***

FOR (EX)DUMMIES



## ***Capitalism: an introduction***

At its root, capitalism is an economic system based on three things: wage labour (working for a wage), private ownership of the means of production (things like factories, machinery, farms, and offices), and production for exchange and profit.

While some people own means of production, or capital, most of us don't and so to survive we need to sell our ability to work in return for a wage, or else scrape by on benefits. This first group of people is the capitalist class or "bourgeoisie" in Marxist jargon, and the second group is the working class or "proletariat". [See p.9 for more information on class].

Capitalism is based on a simple process—money is invested to generate more money. When money functions like this, it functions as capital. For instance, when a company uses its profits to hire more staff or open new premises, and so make more profit, the money here is functioning as capital. As capital increases (or the economy expands), this is called 'capital accumulation', and it's the driving force of the economy.

Those accumulating capital do so better when they can shift costs onto others. If companies can cut costs by not protecting the environment, or by paying sweatshop wages, they will. So catastrophic climate change and widespread poverty are signs of the normal functioning of the system. Furthermore, for money to make more money, more and more things have to be exchangeable for money. Thus the tendency is for everything from everyday items to DNA sequences to carbon dioxide emissions—and, crucially, our ability to work—to become commodified.

And it is this last point—the commodification of our creative and productive capacities, our ability to work—which holds the secret to capital accumulation. Money does not turn into more money by magic, but by the work we do every day.

In a world where everything is for sale, we all need something to sell in order to buy the things we need. Those of us with nothing to sell except our ability to work have to sell this ability to those who own the factories, offices, etc. And of course, the things we produce at work aren't ours, they belong to our bosses.

Furthermore, because of long hours, productivity improvements etc, we produce much more than necessary to keep us going as workers. The wages we get roughly match the cost of the products necessary to keep us alive and able to work each day (which is why, at the end of each month, our bank balance rarely looks that different to the month before). The difference between the wages we are paid and the value we create is how capital is accumulated, or profit is made.

This difference between the wages we are paid and the value we create is called "surplus value". The extraction of surplus value by employers is the reason we view capitalism as a system based on exploitation—the exploitation of the working class.

This process is essentially the same for all wage labour, not just that in private companies. Public sector workers also face constant attacks on their wages and conditions in order to reduce costs and maximise profits across the economy as a whole.

### ***Unwaged labour***

The accumulation of capital also relies on unwaged work, such as housework or domestic labour. This includes the reproduction of labour power in the form of producing and raising children—the next generation of workers—and servicing the current workforce—physically, emotionally, and sexually. This unpaid labour is predominantly carried out by women.

Servicing men and children at home serves capital: by making housework and reproduction a women's 'natural and feminine' process rather than work, capitalism benefits in the form of free labour. When capital pays husbands they get two workers, not one.

Denying domestic labour a wage makes this work invisible, and divides the working class into waged and unwaged at the expense of both.

### ***Competition***

In order to accumulate capital, our boss must compete in the market with bosses of other companies. They cannot afford to ignore market forces, or they will lose ground to their rivals, lose money, go bust, get taken over, and ultimately cease to be our boss. Therefore even the bosses aren't really in control of capitalism, capital itself is. It's because of this that we can talk about capital as if it has agency or interests of its own, and so often talking about 'capital' is more precise than talking about bosses.

Both bosses and workers, therefore, are alienated by this process, but in different ways. While from the workers' perspective, our alienation is experienced through being controlled by our boss, the boss experiences it through impersonal market forces and competition with other bosses.

Because of this, bosses and politicians are powerless in the face of 'market forces,' each needing to act in a way conducive to continued accumulation (and in any case they do quite well out of it!). They cannot act in our interests, since any concessions they grant us will help their competitors on a national or international level.

So, for example, if a manufacturer develops new technology for making cars which doubles productivity it can lay off half its workers, increase its profits and reduce the price of its cars in order to undercut its competition.

If another company wants to be nice to its employees and not sack people, eventually it will be driven out of business or taken over by its more ruthless competitor—so it will also have to bring in the new machinery and make the layoffs to stay competitive.

Of course, if businesses were given a completely free hand to do as they please, monopolies would soon develop and stifle competition which would lead to the system grinding to a halt. The state intervenes, therefore to act on behalf of the long-term interests of capital as a whole.

### ***The State***

The primary function of the state in capitalist society is to maintain the capitalist system and aid the accumulation of capital. As such, the state uses repressive laws and violence against the working class when we try to further our interests against capital. For example, bringing in anti-strike laws, or sending in police or soldiers to break up strikes and demonstrations.

The "ideal" type of state under capitalism at the present time is liberal democratic, however in order to continue capital accumulation at times different political systems are used by capital to do this. State capitalism in the USSR, and fascism in Italy and Germany are two such models, which were necessary for the authorities at the time in order to co-opt and crush powerful working-class movements. Movements which threatened the very continuation of capitalism.

When the excesses of bosses cause workers to fight back, alongside repression the state occasionally intervenes to make sure business as usual resumes without disruption. For this reason national and international laws protecting workers' rights and the environment exist. Generally the strength and enforcement of these laws ebbs and flows in relation to the balance of power between employers and employees in any given time and place. For example, in France where workers are more well-organised and militant, there is a maximum working week of 35 hours. In the UK, where workers are less militant the maximum is 48 hours, and in the US where workers are even less likely to strike there is no maximum at all.

### ***History***

Capitalism is presented as a 'natural' system, formed a bit like mountains or land masses by forces beyond human control, that it is an economic system ultimately resulting from human nature. However it was not established by 'natural forces' but by intense and massive violence across the globe. First in the 'advanced' countries, enclosures drove self-sufficient peasants from communal land into the cities to work in factories. Any resistance was crushed. People who resisted the imposition of wage labour were subjected to vagabond laws and imprisonment, torture, deportation or execution. In England under the reign of Henry VIII alone 72,000 people were executed for vagabondage.

Later capitalism was spread by invasion and conquest by Western imperialist powers around the globe. Whole civilisations were brutally destroyed with communities driven from their land into waged work. The only countries that avoided conquest were those—like Japan—which adopted capitalism on their own in order to compete with the other imperial powers. Everywhere capitalism developed, peasants and early workers resisted, but were eventually overcome by mass terror and violence.

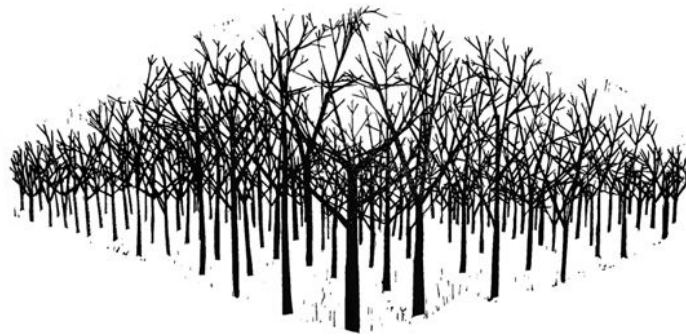
Capitalism did not arise by a set of natural laws which stem from human nature: it was spread by the organised violence of the elite. The concept of private property of land and means of production might seem now like the natural state of things, however we should remember it is a man-made concept enforced by conquest. Similarly, the existence of a class of people with nothing to sell but their labour power is not something which has always been the case - common land shared by all was seized by force, and the dispossessed forced to work for a wage under the threat of starvation or even execution.

As capital expanded, it created a global working class consisting of the majority of the world's population whom it exploits but also depends on.

### ***The Future***

Capitalism has only existed as the dominant economic system on the planet for a little over 200 years. Compared to the half a million years of human existence it is a momentary blip, and therefore it would be naive to assume that it will last for ever.

It is entirely reliant on us, the working class, and our labour which it must exploit, and so it will only survive as long as we let it.



## ***Class & Class Struggle: an introduction***

The first thing to say is that there are various ways of referring to class. Often, when people talk about class, they talk in terms of cultural/sociological labels. For example, middle-class people like foreign films, working class people like football, upper-class people like top hats and so on.

Another way to talk about class, however, is based on classes' economic positions. We talk about class like this because we see it as essential for understanding how capitalist society works, and consequently how we can change it.

It is important to stress that our definition of class is not for classifying individuals or putting them in boxes, but in order to understand the forces which shape our world, why our bosses and politicians act the way they do, and how we can act to improve our conditions.

### ***Class and Capitalism***

The economic system which dominates the world at present is called capitalism.

As mentioned earlier, capitalism is essentially a system based on the self-expansion of capital—commodities and money making more commodities and more money.

This doesn't happen by magic, but by human labour. For the work we do, we're paid for only a fraction of what we produce. The difference between the value we produce and the amount we're paid in wages is the "surplus value" we've produced. This is kept by our boss as profit and either reinvested to make more money or used to buy swimming pools or fur coats or whatever.

In order for this to take place, a class of people must be created who don't own anything they can use to make money i.e. offices, factories, farmland or other means of production. This class must then sell their ability to work in order to purchase essential goods and services in order to survive. This class is the working class.

So at one end of the spectrum is this class, with nothing to sell but their ability to work. At the other, those who do own capital to hire workers to expand their capital. Individuals in society will fall at some point between these two poles, but what is important from a political point of view is not the positions of individuals but the social relationship between classes.

### ***The Working Class***

The working class then, or 'proletariat' as it is sometimes called, the class who is forced to work for wages, or claim benefits if we cannot find work or are too sick or elderly to work, to survive. We sell our time and energy to a boss for their benefit.

Our work is the basis of this society. And it is the fact that this society relies on the work

we do, while at the same time always squeezing us to maximise profit, that makes it vulnerable.

### ***Class Struggle***

When we are at work, our time and activity is not our own. We have to obey the alarm clock, the time card, the managers, the deadlines and the targets.

Work takes up the majority of our lives. We may see our managers more than we see our friends and partners. Even if we enjoy parts of our job we experience it as something alien to us, over which we have very little control. This is true whether we're talking about the nuts and bolts of the actual work itself or the amount of hours, breaks, time off etc.

Work being forced on us like this compels us to resist.

Employers and bosses want to get the maximum amount of work from us, from the longest hours, for the least pay. We, on the other hand, want to be able to enjoy our lives: we don't want to be over-worked, and we want shorter hours and more pay.

This antagonism is central to capitalism. Between these two sides is a push and pull: employers cut pay, increase hours, speed up the pace of work. But we attempt to resist: either covertly and individually by taking it easy, grabbing moments to take a break and chat to colleagues, calling in sick, leaving early. Or we can resist overtly and collectively with strikes, slow-downs, occupations etc.

This is class struggle. The conflict between those of us who have to work for a wage and our employers and governments, who are the capitalist class, or 'bourgeoisie'.

By resisting the imposition of work, we say that our lives are more important than our boss's profits. This attacks the very nature of capitalism, where profit is the most important reason for doing anything, and points to the possibility of a world without classes and privately-owned means of production. We are the working class resisting our own existence. We are the working class struggling against work and class.

### ***Beyond the Workplace***

Class struggle does not only take place in the workplace. Class conflict reveals itself in many aspects of life.

For example, affordable housing is something that concerns all working class people. However, affordable for us means unprofitable for them. In a capitalist economy, it often makes more sense to build luxury apartment blocks, even while tens of thousands are homeless, than to build housing which we can afford to live in. So struggles to defend social housing, or occupying empty properties to live in are part of the class struggle.

Similarly, healthcare provision can be a site of class conflict. Governments or companies



attempt to reduce spending on healthcare by cutting budgets and introducing charges for services to shift the burden of costs onto the working class, whereas we want the best healthcare possible for as little cost as possible.

### ***The 'Middle Class'***

While the economic interests of capitalists are directly opposed to those of workers, a minority of the working class will be better off than others, or have some level of power over others. When talking about history and social change it can be useful to refer to this part of the proletariat as a "middle class", despite the fact that it is not a distinct economic class, in order to understand the behaviour of different groups.

Class struggle can sometimes be derailed by allowing the creation or expansion of the middle class—Margaret Thatcher encouraged home ownership by cheaply selling off social housing in the UK during the big struggles of the 1980s, knowing that workers are less likely to strike if they have a mortgage, and allowing some workers to become better off on individual levels, rather than as a collective. And in South Africa the creation of a black middle class helped derail workers' struggles when apartheid was overturned, by allowing limited social mobility and giving some black workers a stake in the system.

Bosses try to find all sorts of ways to materially and psychologically divide the working class, including by salary differentials, professional status, race and by gender.

It should be pointed out again that we use these class definitions in order to understand social forces at work, and not to label individuals or determine how individuals will act in given situations.

### ***Conclusion***

Talking about class in a political sense is not about which accent you have but the basic conflict which defines capitalism—those of us who must work for a living vs. those who profit from the work that we do. By fighting for our own interests and needs against the dictates of capital and the market we lay the basis for a new type of society—a society without money, class, or capitalism, organised for the direct fulfilment of our needs: a Libertarian Communist society.

Adapted from [www.libcom.org](http://www.libcom.org) – check it out for more guides, news and other articles.

*designed by Jared Davidson*

